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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/631,282

07/31/2003

Austin T. Gavin

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EXAMINER

TROTTER, SCOTT S

ART UNIT

PAPER NUMBER

3694

MAIL DATE

DELIVERY MODE

08/22/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.		Applicant(s)	
	10/631,282		GAVIN, AUSTIN T.	
	Examiner		Art Unit	
	Scott S. Trotter		3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 26 January 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☐ Claim(s) 1-23 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-23 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>7/31/2003</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Specification

1. Applicant is required to update the status (pending, allowed, etc.) of all parent priority applications in the first line of the specification. The status of all citations of US filed applications in the specification should also be updated where appropriate.

Information Disclosure Statement

2. An initialed and dated copy of Applicant's IDS form 1449 filed 7/31/2003, is attached to the instant Office action.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-4, 6, 7, and 20-23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gupta (U.S. Patent 7,130,815 B1) in view of Ross (Fundamentals of Corporate Finance).

As per claim 1 Gupta teaches:

A method for an investor to select and make an investment with an investee, said method comprising:

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- a) the investor advertising the amount and term of the investment; (*See Gupta column 2 lines 60-62*. Presenting the product being offered is advertising it to potential suppliers.)
- b) a plurality of investees bidding for the advertised investment during a bidding period, the bidding including indicating a rate of return; (*See Gupta column 2 lines 62-65*. The distributors submit bids including a price. Ross teaches a formula that allows the converting of the price of a fixed income security into a rate of return of that security. *See Ross the top of page 172*. The price could either be what will be paid at the end of the investment period if there are no coupons paid or the price they are willing to receive now for a fixed payment or a fixed series of payments. Regardless of which price term is being referred to the rate of return can be solved for though whether the investor wants a low price or high price depends on which term is being referred to.)
- c) after the bidding period has ended, the investor selecting an investee based at least in part of the bids; (*See Gupta column 2 lines 66-column 3 line 3*) and
- d) the investor making the investment with the selected investee. (*See Gupta column 3 lines 1-3*)

While Gupta does not explicitly teach the product being requested being an investment it is well known in the art of investing to invest funds by purchasing securities such as U.S. Treasury Bills which are normally bid on by the investor the same as purchasers on Ebay have item purchasers bidding on an item rather than purchasers considering offers to sell as contemplate in Gupta. Therefore it would have been obvious to a user of ordinary skill in the art at the time the invention was made to try investing funds by conducting a reverse auction since it is simply suppliers of

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investment opportunities competing for the use of the invested funds over the defined set of terms. It would also have been obvious to a user of ordinary skill in the art at the time the invention was made to use standard finance tools such as converting prices into rates of return to allow easy comparison to other assets such as certificates of deposit.

As per claim 2 Gupta teaches:

The method according to claim 1, further comprising: e) after the bidding period has ended and prior to the investor selecting, automatically ranking bids according to rate of return. (See *Gupta column 7 lines 23-25*. Again for the converting a price to a rate of return see claim 1.)

As per claims 3 and 4 Gupta teaches making the bids available to the other bidders during the process (See *Gupta 7 lines 6-8*.) while Gupta does not explicitly teach ranking the bids during the bidding it does sort the list provided to the consumer after the bidding. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to rank the bids to allow the bidder to make quick comparisons between the bids the same as the customer. For converting between price and rate of return again see claim 1.

As per claim 6 Gupta teaches:

The method according to claim 1, wherein: said steps of advertising and bidding are performed via an Internet web site. (See *Gupta column 10 lines 28-29*)

As per claim 7 Gupta teaches:

The method according to claim 6, wherein: said web site is a secure web site and investors and investees must register to participate. (See *Gupta column 10 lines 50-51 and column 6 lines 39-41* registration is required to submit a request for bids and *column 6 lines 54-56*. In order for dealers to be approved the auctioneer has to be aware who they are which means they are registered.)

As per claim 20 Gupta teaches:

A system for an investor to select and make an investment with an investee, said system comprising: a secure server coupled to the Internet, (See *Gupta Figure 4 and column 10 lines 48-50*) said secure server including

- a) means for receiving investment information from the investor, said investment information including the amount and term of the investment; (See *Gupta column 2 lines 57-60*)
- b) means for advertising at least some of the investment information via the Internet; (See *Gupta column 2 lines 60-62*. Presenting the product being offered is advertising it to potential suppliers.)
- c) means for accepting bids for the advertised investment from investees vis the Internet during a bidding period, the bids including a rate of return; (See *Gupta column 2 lines 66-column 3 line 3*) and
- d) means for displaying the bids via the Internet to the investor. (See *Gupta column 2 lines 66-column 3 line 3*.)

While Gupta does not explicitly teach the product being requested being an investment it is well known in the art of investing to invest funds by purchasing

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securities such as U.S. Treasury Bills which are normally bid on by the investor the same as purchasers on Ebay have item purchasers bidding on an item rather than purchasers considering offers to sell as contemplate in Gupta. Therefore it would have been obvious to a user of ordinary skill in the art at the time the invention was made to try investing funds by conducting a reverse auction since it is simply suppliers of investment opportunities competing for the use of the invested funds over the defined set of terms. It would also have been obvious to a user of ordinary skill in the art at the time the invention was made to use standard finance tools such as converting prices into rates of return to allow easy comparison to other assets such as certificates of deposit.

As per claim 21 Gupta teaches:

The system according to claim 20, said secure server further including:

- e) means for receiving a bid selection from the investor via the Internet; (*See Gupta Figure 4*) and
- f) means for notifying the investee via the Internet of the bid selection. (*See Gupta Figure 4 and column 11 lines 30-35*)

As per claims 22 and 23 Gupta teaches making the bids available to the other bidders during the process (*See Gupta 7 lines 6-8.*) while Gupta does not explicitly teach ranking the bids during the bidding it does sort the list provided to the consumer after the bidding. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to rank the bids to allow the bidder to make

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quick comparisons between the bids the same as the customer. For converting between price and rate of return again see claim 20.

5. Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over Gupta (U.S. Patent 7,130,815 B1) in view of Ross (Fundamentals of Corporate Finance) and Official Notice.

As per claim 5 Gupta teaches consummating the transaction with the selected offer. Official Notice is taken that it is old and well known in the art of Internet auctioning to notify someone that they have won an Internet auction and then send them the merchandise provided they have met all the requirements. Official Notice is also taken that it is old and well known in the art of finance to require a signature when someone is borrowing money. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to do those steps in that order since there are only six possible ways to order three steps (abc, bac, cab, cba, bca, and cba) and since it is probably dangerous from a legal standpoint to send the money before receiving something signed committing to the loan and it is hard to known to send an acknowledgement of something that has not yet been sent no other order even seems possible.

6. Claims 8-11, 13, 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gupta (U.S. Patent 7,130,815 B1) in view of Ross (Fundamentals of Corporate Finance) and admitted prior art.

As per claim 8 Gupta teaches:

A method for municipalities and school districts to select and make an investment with banks or financial institutions, said method comprising:

a) the municipalities and school districts advertising the amount and term of the investments they want to make; (*See Gupta column 2 lines 60-62. Presenting the product being offered is advertising it to potential suppliers.*)

b) the banks and financial institutions bidding for the advertised investments during a bidding period, the bidding including indicating a rate of return; (*See Gupta column 2 lines 62-65. The distributors submit bids including a price. Ross teaches a formula that allows the converting of the price of a fixed income security into a rate of return of that security. See Ross the top of page 172. The price could either be what will be paid at the end of the investment period if there are no coupons paid or the price they are willing to receive now for a fixed payment or a fixed series of payments. Regardless of which price term is being referred to the rate of return can be solved for though whether the investor wants a low price or high price depends on which term is being referred to.*)

c) after the bidding period has ended, the municipalities and school districts selecting banks and financial institutions based at least in part on the bids; (*See Gupta column 2 lines 66-column 3 line 3*) and

d) the municipalities and school districts making the investments with the selected banks and financial institutions. (*See Gupta column 3 lines 1-3*)

While Gupta does not explicitly teach the product being requested being an investment it is well known in the art of investing to invest funds by purchasing

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securities such as U.S. Treasury Bills which are normally bid on by the investor the same as purchasers on Ebay have item purchasers bidding on an item rather than purchasers considering offers to sell as contemplate in Gupta. Therefore it would have been obvious to a user of ordinary skill in the art at the time the invention was made to try investing funds by conducting a reverse auction since it is simply suppliers of investment opportunities competing for the use of the invested funds over the defined set of terms. It would also have been obvious to a user of ordinary skill in the art at the time the invention was made to use standard finance tools such as converting prices into rates of return to allow easy comparison to other assets such as a certificate of deposit. While Gupta does not explicitly teach investing for municipalities and schools it is admitted prior art that such entities are required to make investments that meet certain criteria. (*See the first paragraph of the State of the Art in the Background Section of this application.*) Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to use the efficiencies created by the reverse auction method to make investments for municipalities and school districts since they needed to make regular investments.

As per claim 9 Gupta teaches:

The method according to claim 8, further comprising: e) after the bidding period has ended and prior to the municipalities and school districts selecting, automatically ranking bids according to rate of return. (*See Gupta column 7 lines 23-25. Again for the converting a price to a rate of return see claim 8.*)

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As per claims 10 and 11 Gupta teaches making the bids available to the other bidders during the process (*See Gupta 7 lines 6-8.*) while Gupta does not explicitly teach ranking the bids during the bidding it does sort the list provided to the consumer after the bidding. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to rank the bids to allow the bidder to make quick comparisons between the bids the same as the customer. For converting between price and rate of return again see claim 8.

As per claim 13 Gupta teaches:

The method according to claim 8, wherein: said steps of advertising and bidding are performed via an Internet web site. (*See Gupta column 10 lines 28-29*)

As per claim 14 Gupta teaches:

The method according to claim 13, wherein: said web site is a secure web site and municipalities, school districts, banks and financial institutions must register to participate. (*See Gupta column 10 lines 50-51 and column 6 lines 39-41 registration is required to submit a request for bids and column 6 lines 54-56. In order for dealers to be approved the auctioneer has to be aware who they are which means they are registered.*)

As per claim 15 Gupta teaches:

A method for municipalities and school districts to select and make investments with banks or financial institutions via the Internet, said method comprising:

a) the municipalities and school districts advertising the amount and term of the investments they want to make on a secure web site; (See *Gupta column 2 lines 60-62*. Presenting the product being offered is advertising it to potential suppliers.)

b) the banks and financial institutions bidding for the advertised investments on the web site during a bidding period, the bidding including indicating a rate of return; (See *Gupta column 2 lines 62-65*. The distributors submit bids including a price. Ross teaches a formula that allows the converting of the price of a fixed income security into a rate of return of that security. See *Ross the top of page 172*. The price could either be what will be paid at the end of the investment period if there are no coupons paid or the price they are willing to receive now for a fixed payment or a fixed series of payments. Regardless of which price term is being referred to the rate of return can be solved for though whether the investor wants a low price or high price depends on which term is being referred to.)

c) after the bidding period has ended, the municipalities and school districts selecting, via the web site, banks and financial institutions based at least in part on the bids; (See *Gupta column 2 lines 66-column 3 line 3 and column 10 lines 28-31*) and

d) the municipalities and school districts making the investments with the selected banks and financial institutions. (See *Gupta column 3 lines 1-3*)

While Gupta does not explicitly teach the product being requested being an investment it is well known in the art of investing to invest funds by purchasing securities such as U.S. Treasury Bills which are normally bid on by the investor the same as purchasers on Ebay have item purchasers bidding on an item rather than

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purchasers considering offers to sell as contemplate in Gupta. Therefore it would have been obvious to a user of ordinary skill in the art at the time the invention was made to try investing funds by conducting a reverse auction since it is simply suppliers of investment opportunities competing for the use of the invested funds over the defined set of terms. It would also have been obvious to a user of ordinary skill in the art at the time the invention was made to use standard finance tools such as converting prices into rates of return to allow easy comparison to other assets such as a certificate of deposit. While Gupta does not explicitly teach investing for municipalities and schools it is admitted prior art that such entities are required to make investments that meet certain criteria. (*See the first paragraph of the State of the Art in the Background Section of this application.*) Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to use the efficiencies created by the reverse auction method to make investments for municipalities and school districts since they needed to make regular investments.

As per claim 16 Gupta teaches:

The method according to claim 15, further comprising: e) after the bidding period has ended and prior to the municipalities and school districts selecting, automatically ranking bids according to rate of return. (*See Gupta column 7 lines 23-25.* For the converting a price to a rate of return see claim 15.)

As per claims 17 and 18 Gupta teaches making the bids available to the other bidders during the process (*See Gupta 7 lines 6-8.*) while Gupta does not explicitly teach ranking the bids during the bidding it does sort the list provided to the consumer

after the bidding. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to rank the bids to allow the bidder to make quick comparisons between the bids the same as the customer. For converting between price and rate of return again see claim 15.

7. Claims 12 and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gupta (U.S. Patent 7,130,815 B1) in view of Ross (Fundamentals of Corporate Finance), Official Notice and admitted prior art.

As per claim 12 Gupta teaches consummating the transaction with the selected offer. (See *Gupta column 9 lines 55-59.*) Official Notice is taken that it is old and well known in the art of Internet auctioning to notify someone that they have won an Internet auction and then send them the merchandise provided they have met all the requirements such as having made payment and having the shipping details worked out. Official Notice is also taken that it is old and well known in the art of finance to require a signature when someone is borrowing money. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to do those steps in that order to consummate the transaction since there are only six possible ways to order three steps (abc, bac, cab, cba, bca, and cba) and since it is probably dangerous from a legal standpoint to send the money before receiving something signed committing to the loan and it is hard to know to send an acknowledgement of something that has not yet been sent therefore no other order even seems possible.

As per claim 19 Gupta teaches consummating the transaction with the selected offer. (See *Gupta column 9 lines 55-59*.) Official Notice is taken that it is old and well known in the art of Internet auctioning to notify someone that they have won an Internet auction and then send them the merchandise provided they have met all the requirements such as having made payment and having the shipping details worked out. Official Notice is also taken that it is old and well known in the art of finance to require a signature when someone is borrowing money. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to do those steps in that order to consummate the transaction since there are only six possible ways to order three steps (abc, bac, cab, cba, bca, and cba) and since it is probably dangerous from a legal standpoint to send the money before receiving something signed committing to the loan and it is hard to known to send an acknowledgement of something that has not yet been sent therefore no other order even seems possible. Official Notice is taken that it is old and well known in the art of finance to fax or email signed documents to complete a transaction. Official Notice is taken that it is old and well known in the art of finance to complete a financial transaction with a wire transfer. Gupta expected that one of the methods of communication between the system and consumers and sellers would be email. (See *column 11 lines 30-35*) Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to have used email, or fax to communicate between the buyer's and seller's to consummate the transaction.

Conclusion

8. Examiner's Note: The Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant.

Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

9. Any inquiry concerning this communication from the examiner should be directed to Scott S. Trotter, whose telephone number is 571-272-7366. The examiner can normally be reached on 8:30 AM – 5:00 PM, M-F.

10. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell, can be reached on 571-272-6712.

11. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

12. The fax phone number for the organization where this application or proceeding is assigned are as follows:

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(571) 273-8300 (Official Communications; including After Final
Communications labeled "BOX AF")

(571) 273-6705 (Draft Communications)

Scott Trotter
8/18/2007


ELLA COLBERT
PRIMARY EXAMINER